



Fact Sheet

California Environmental Protection Agency

 **Air Resources Board**

Fleet Zero Emission Vehicle Incentive Program (Fleet ZIP) – Frequently Asked Questions

What type of incentive does the Fleet ZIP provide?

Grants of up to \$11,000 per vehicle are available to fleets that purchase or lease qualifying new electric passenger cars or light-duty trucks. Grants are awarded through a competitive process that gives preference to fleets operating in qualifying areas.

What fleets are eligible for the grant?

An eligible fleet must meet ALL of the following criteria:

- ◆ Own or lease two or more fleet vehicles that are used to conduct business at the time the application for a grant is submitted.
- ◆ Be any public agency, business, non-profit organization, estate, or a trust that has entered into an agreement with an eligible applicant to receive and use ZEVs that receive a grant through this program. All vehicles must be used as fleet vehicles.
- ◆ Be located in an area that does not meet the State's standards for ozone.
- ◆ Be located in or plan to use the grant vehicles in an area that meets applicable environmental justice criteria.

What vehicles are eligible for the grant?

To find out what vehicles are eligible for this grant, see the List of Electric Vehicle Models Eligible for Fleet Grant Program. Unfortunately, many auto manufacturers are not making electric vehicles at this time. These grants are not available for gasoline or diesel powered vehicles, gasoline-electric hybrid electric vehicles, or compressed natural gas vehicles. However, incentives for these other vehicles may be available through the California Energy Commission's Efficient Vehicle Incentive Program.

What areas of the State are included in the program?

This program focuses on areas of California with the worst air quality. This includes, but is not limited to all of the large urban areas of California (Bay Area, Sacramento, greater Los Angeles area, San Joaquin Valley, and San Diego). In addition, many other areas of California that do not attain the state's standard for ozone are also included in the program. To find out if your area qualifies, contact your local air district or the ARB Fleet ZIP Program Manager.

What is Environmental Justice?

Environmental justice is defined in State law as the fair treatment of people of all races, cultures and incomes with respect to the implementation of environmental programs. ARB's environmental justice policies are designed to ensure that diverse communities throughout California, including low-income and communities of color, will benefit from California's air quality programs. This grant program helps communities achieve clean air goals with the use of the cleanest vehicles available-those with no tailpipe emissions.

Interested parties should contact their local air district to obtain local environmental justice criteria, if it is available. However, applicants may propose alternative criteria if supporting analysis and documentation are provided. In such case, it is suggested that applicants still contact their local air district or the ARB Fleet ZIP Program Manager.

Do the vehicles have to be garaged in an environmental justice area to be eligible for the Fleet ZIP?

Vehicles should be garaged in an area meeting environmental justice criteria; however, applications that show vehicles primarily being used in an environmental justice area will still be evaluated and ranked accordingly. The goals of the program will be best met with vehicles that are used primarily in areas that meet environmental justice criteria.

My air district is not included as a program partner? Am I still eligible to apply?

Program Partners are essential to a successful program. A Program Partner is a public agency that agrees to work with the ARB Program Manager and assist with implementation of the program in their area or jurisdiction. However, this is a statewide program. If your local air district is not a program partner you are still be eligible to apply for the grant. In this case, feel free to contact the ARB Fleet ZIP Program Manager for information about the program.

If I leased or purchased any eligible EVs before the Fleet ZIP solicitation, can I still apply for the grant and receive money toward those vehicles?

Due to the limited number of electric vehicles available, applicants that purchased or leased a vehicle after May 1, 2002 may apply for the Fleet ZIP. It is still a competitive process, therefore there is no guarantee that those applicants will receive the grant. If applicants choose to purchase the vehicles after being awarded the grant, they have up to 12 months to fulfill their commitment. In addition, if you already received a grant through the ZIP I or ZIP II, your Fleet ZIP grant will be reduced by that amount.

What are Project Partners?

Projects that include partnerships have the potential to provide substantial benefits to communities. Project Partners can provide diverse types of tangible benefits to communities. These contributions including financial or in-kind contributions to the project, project management assistance, or funding for public or workplace infrastructure that could attract additional ZEVs to the community.

Examples of Project Partnerships include local air agencies, electric utilities, other public agencies, auto manufacturers/dealers, and equipment manufacturers. Projects that include Project Partnerships will be given higher priority than those that do not. Factors considered when scoring include: (1) are Project Partners identified? (2) are the Project Partners providing financial or in-kind contributions? (3) what tangible benefits are Program Partners bringing to the community (e.g., supporting local business or organization, public charging, etc.)?, and (4) do Project Partners establish a framework that contributes to a successful project that would be difficult to achieve without the partners?

What types of outreach and education programs are you looking for in the proposal?

Education to communities on air quality in general as well as ZEV technology is very important. Education

provides important tools to communities so that they can take a more active role in air quality decisions that affect them. In addition, education and outreach on ZEV technology is a critical element for achieving long-term program success. Projects that include public education or outreach will be given a higher priority than comparable projects with no public education or outreach elements. Education and outreach opportunities vary widely depending on the interests of the community and type of project. Some examples of how this can be included in project proposals include:

- ◆ Use, display, or demonstration at educational facilities, including elementary and high schools and universities.
- ◆ Display at scheduled outreach or educational events.
- ◆ High-profile vehicle use. (e.g., legislators, agency/company decision makers, media representatives, agency officers or board members.)
- ◆ Vehicle displayed in community.
- ◆ Innovative new programs that provide education on air quality or other environmental issues.
- ◆ Displays or other information at office or primary vehicle location.
- ◆ Employee or student education.
- ◆ Brochures or other information on air quality issues at business or fleet location.
- ◆ Signage on vehicles.

Does it matter how many EVs I am including in my proposal?

All proposals that meet the minimum eligibility requirements will be further evaluated. Proposals will fall into one of two categories. These categories are established to help simplify the application and review process for smaller projects, and to set up a structure so that projects of similar scope are evaluated against each other. It is staff's intention to ensure that a diverse mix of projects is funded, and that no one applicant or project receives all of the available funding. The two categories of projects are:

Community Projects. These are applications for 10 or fewer vehicles for a project where the applicant intends to use all the vehicles. Federal or State agencies of any size must apply as a Fleet Project (described below).

Fleet Projects. This includes any applications submitted for vehicles to be placed in State or federal agencies, or any projects requesting funding for 11 or more vehicles. In addition, projects where the applicant is receiving funding for vehicles that will be used by other fleets are also defined as a Fleet Project. An example of a project where the applicant is different than the end user of the vehicle is the ev Sacramento project; the Department of General Services leased vehicles for ev Sacramento and then entered into contracts with other State and local government agencies to sub-lease the vehicles. In addition, any project where vehicles will be used in non-road applications is also considered a fleet project. An example of a non-road application would be a University that plans to use vehicles in a closed campus setting.

The same ranking process will be used to evaluate both Community and Fleet projects. Funding will be set aside for both Community and Fleet projects, while retaining the overall goal of providing grants to the highest scoring projects. This structure is designed to ensure that small projects are able to remain competitive when evaluated alongside projects that propose large fleet deployments.

How and when do I apply?

The first application period began in the fall/winter 2002 and is due by March 3, 2003. A second application period may be scheduled for spring 2003. In the application, you will identify the vehicles that you want to

purchase or lease. If your application is approved, you will receive a Grant Agreement to sign. The Grant Agreement will set aside the funds for your project. At the time you lease or purchase your vehicles, simply fill out the Vehicle Payment Request Form, and we will make arrangements for your grant payment. Grants are paid in full at the time we receive the required documentation including proof of lease/purchase and vehicle registration information.

The Air Resources Board along with local air district partners will review all of the applications. Projects that do not receive a grant under this program may be entitled to a lesser grant amount under the statewide Zero Emission Vehicle Incentive Program (ZIP I or ZIP II).

Where do I get additional Information?

For question or comments regarding any materials found on this page, please contact Lisa Kasper, ARB, Fleet ZIP Program Manager at (916) 327-2932. For general information, please contact the ARB toll-free at (800) END-SMOG/(800) 363-7664 (California only) or (800) 242-4450. More information on the Zero Emission Vehicle Program is available on ARB's web site at www.zevinfo.com or at www.arb.ca.gov/msprog/zevprog/zevprog.htm. You may obtain this document in an alternative format by contacting ARB's ADA Coordinator at (916) 322-4505 (voice); (916) 324-9531 (TDD, Sacramento area only); or (800) 700-8326 (TDD, outside Sacramento).